

[Certified Translation – Partial Transcript of the Puerto Rico Senate Session held on January 25, 2018]

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The following are statements by Senate President, Thomas Rivera-Schatz, during floor discussions of Senate Joint Resolution 196.

We must examine what caused the Authority's financial crisis. And I requested the information on the status of payments to the Authority by agencies of the Government of Puerto Rico, which are commanded by the Governor. And I will ask the Governor, with the same eagerness he has asked from us, to request his heads of agencies to pay their bills to PREPA. This Legislative Assembly approved a budget that included the resources needed to pay the costs of energy and potable water, and some heads of agencies do not want to pay or are not paying with the corresponding frequency and diligence, and that is in the hands of our Governor. It is his duty to ensure that the heads of the agencies, the secretaries, the executive directors, and the members of his cabinet pay, which they are not doing. It is also the duty of the mayors to fulfill their responsibility of paying for the electric service. So that you have an idea of what is owed by the Government of Puerto Rico's public corporations, as of December 31, for example, PRASA owes almost \$63 million to PREPA; the Medical Services Administration owes almost \$32 million; the Port Authority owes \$29 million; the Urban Train Administration owes \$30 million; The Highway and Transportation Authority owes \$16 million; the Cardiovascular Hospital of Puerto Rico owes \$13 million; University Medical Services owes \$9 million; the AMA [Metropolitan Bus Authority] owes \$7 million; the Public Housing Authority owes \$7.7 million; and the Solid Waste Authority owes \$4.4 million. Just these 10 agencies owe a total of \$212 million to PREPA. It is the duty of the Executive to tell the people in charge of these corporations to pay and it is the duty of PREPA's directors to demand payment. In the case of the executive agencies, the Sports and Recreation Department owes \$4 million; the Institute of Culture owes \$2.4 million; the Health Department of the University Hospital owes \$1.8 million; Court Administration owes \$2.6 million; Health Department Administrative Services owes \$2.6 million; AMSSCA [Mental Health and Addiction Services Administration] owes \$1.6 million. But the corporations and agencies of the Government of Puerto Rico and the municipalities are not the only ones who owe. Federal Government instrumentalities also owe: the General Services Administration owes over \$2 million; the Army Reserve owes \$1.3; the Postal Service owes \$1 million; the Veterans Center owes almost \$3 million. This is in the hands of the Governor. It is in the hands of PREPA to demand that its creditors, excuse me, that its debtors pay.